

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Revisions to Board of Regents Policy Manual  
**Date:** May 12, 2003

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**Recommended Actions:**

Approve for publication the revised sections of the Board of Regents Policy Manual with changes as follows:

## Chapter I. Board of Regents

- Change §1.03: Governance; subsection E: Governance Reports – Banking Committee to provide an annual report rather than a semi-annual report on the Master Lease;
  - Change §1.05: Board of Regents Committee – to provide five members for the Banking Committee instead of the current four. (Attachment 1)
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**Executive Summary:**

Policy Manual  
under intensive  
review

The Board Office and Regent institutions have been in the process of reviewing the Board of Regents Policy Manual (Policy Manual), formerly the Procedural Guide, for more than a year. The process has involved the Board reviewing proposed changes at one meeting, commenting on the proposals, and allowing institutional comments to be incorporated prior to a subsequent Board meeting at which final approval is given.

Because these changes have received support from both the Board President and Regent institutions, it is recommended that they be approved at this meeting without a second reading required.

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**Strategic Plan:**

Revision relates to  
Quality and  
Accountability

Revision of the Policy Manual is consistent with the Board of Regents' Strategic Plan, KRA 1.1.0.0, Quality. More specifically this revision relates to KRA 4.0.0.0, Accountability, and particularly to Objective 4.2.0.0--to improve the operational effectiveness and efficiency of the institutions.

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**Background:**

Review of Policy Manual linked to  
Executive Orders

The Policy Manual has not been revised for several years. This revision process is also timely in light of the review and revision of the Iowa Administrative Code (IAC), as required by the Executive Orders No. 8-11.

Policy Manual to be consistent with Iowa Administrative Code

The review of the Policy Manual has focused on consistency with state and federal laws, with policies and practices of the Board of Regents, elimination of redundancy with the IAC, and compliance with the requirement of Iowa Code Chapter 17A: Iowa Administrative Procedures Act.

Sections of Policy Manual previously approved

The Board has approved revisions of sections of the Policy Manual as follows:

- Chapter V. Equal Opportunity, in January 2002;
- Chapter II. Meetings and Chapter IV. Personnel, in March 2002;
- Chapter IV. Personnel, §4.04 - Appointment of Presidents, Superintendents, and Executive Director and §4.11 - Employment and Supervision of Immediate Family Members in April 2002;
- Chapter III. Board Office, in April 2002;
- Chapter VI. Academic Policies and Procedures, in April 2002 (with the exception of §§6.03 and 6.04);
- Chapter I. Board of Regents, in May 2002;
- Chapter VI. Academic Policies and Procedures, §§6.03 and 6.04 in May 2002;
- Chapter VIII. Charges and Fees, in May 2002;
- Chapter IV. Personnel, §4.37 - Regent Employees Representing the Board of Regents and the Regent Enterprise, and §4.38 - Regent Employees Serving on State Committees as Regent Employees, in June 2002;
- Chapter I. Board of Regents, §1.07(A)(2)(b) in June 2002 (amended to include a community college president as a representative on the Committee on Educational Coordination);
- Chapter VII. Business Procedures, §7.04 – Purchasing, in July 2002;
- Chapter IV. Personnel, §4.39 - Conflict of Interest of Public Officers and Employees – Gifts, §4.40 - Conflict of Interest – Duty of Loyalty, and §4.41 - Inclement Weather, in January 2003;
- Chapter VII. Business Procedures, §7.01 - Authority, §7.02 - General Practices, §7.04 - Financing, §7.06 - Risk Management, §7.07 - Compliance and Reporting, and §7.08 – Audits, in January 2003;
- Chapter IX. Property and Facilities, §9.03 - Register of Capital Improvement Business Transactions, §9.04 - Permission to Proceed with Project Planning, §9.05 - Program Statement, §9.06 - Project Descriptions and Budgets, §9.07 - Consultant Agreements and Amendments, §9.08 - Construction Contracts and Change Orders, §9.09 - Acceptance of Completed Construction Contracts, and §9.10 - Final Reports;
- Chapter I: Board of Regents -- § 1.03: Report of Special Schools Advisory Committees; §1.04, subsections C and E; and §1.06I: Regent Advisory Committees on Iowa School for the Deaf and Iowa Braille and Sight Saving School, in April 2003;
- Chapter IV: Personnel, Section 4.42: Interinstitutional Staff Sharing, in April 2003;
- Chapter VI: Academic Policies and Procedures, §6.05: Academic review and Program Approval and subsection 6.05B(3), in April 2003;

- Chapter IX: Property and Facilities, §9.07: Consultant Agreements and Amendments, in April 2003.

**Future Submissions:**

The remaining sections of Chapter IX. Property and Facilities and the remaining section of Chapter VII, "Banking and Investment Activity" of the Policy Manual are undergoing substantial modification. These subsections will be brought to the Board for approval as they are completed. The subsections for Chapter IX will be renumbered at that time to avoid conflicts which presently exist.

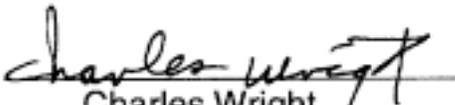
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**Analysis:**

Policy Manual  
revisions needed  
for compliance with  
law

Board has final  
authority for  
revisions

- Review of the Policy Manual is needed to ensure that it is consistent with federal and state laws, regulations and Executive Orders of the Governor.
- The review process involves consultation among the Board, Regent institutions and the Board Office.
- The Board has final authority to approve changes in the Policy Manual and reviews proposed sections and makes recommendations for further changes as it sees fit.

  
Charles Wright

Approved:   
Gregory S. Nichols

**1.03 Governance**

E. Governance Reports

Banking Committee:

External Investment Fund Manager Reviews  
Internal and External Audit Reports  
Internal Audit Plans  
Investment and Cash Management  
Annual Master Lease Report

**1.05 Board of Regent Committee**

Regent Banking Committee

The Banking Committee shall consist of five members and the President of the Board as an ex officio member with the following functions:

1. Review and make recommendations on borrowings for the Regent institutions, including but not limited to bonds, notes and lease financing.
2. Receive and review audit reports from the State Auditor, internal auditors and external auditors.
3. Monitor and make recommendations on institutional investment and treasury management practices and performance, including ensuring compliance with Board policy and evaluation of the Board's investment advisors and fund managers.